Samu Kewsletter **JANUARY 29, 2009**

Message from the Mayor

Navigating a Tough Economy

Looking back on the past year, it seems that what started out fairly routine ended in turbulence. I am sure that you, like me, are concerned about the national economy and question what the future holds. Recently we conducted our annual citizens' survey. Yours may have been one of the 405 households we contacted. When asked what was the most important issue facing Sandy City today, two of our top four responses included economic problems and budget issues. These have not been major concerns in prior surveys. In light of these concerns, I thought it would be helpful as your mayor to report on the state of Sandy City's financial health.

While economic problems have taken a toll on our tax revenue, I am pleased to report that we are able to make the necessary adjustments to meet three important objectives. The first is to continue to provide you the best possible services at the lowest possible cost. The second is to keep our property tax rate the lowest of any major city in Utah and avoid increasing your taxes during times when you are feeling the economic pinch. The third is to support our business community when business is slow.

The ability to meet these objectives in a tough economy takes careful preparation and thought. Let me share with you some of what we have been doing during the good times to enable

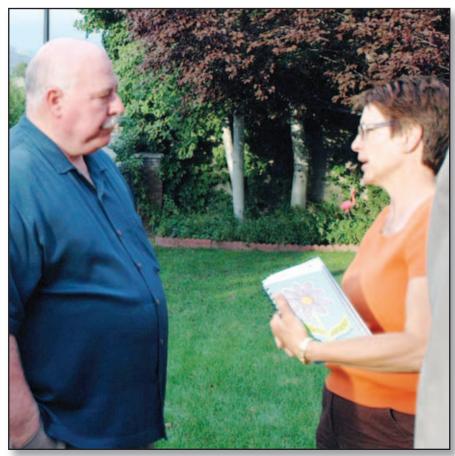
In a few weeks, a newsletter titled "State of the City" will be mailed to your home. Important information regarding the budget along with future projects will be included.

us to survive the bad times.

The expansion of the commercial tax base over the past few years has prevented the need for property tax increases. This expansion has also brought new entertainment and shopping opportunities to Sandy residents. Our policy has always been to budget in a way that is sustainable. For example, we recognize that boom time revenues such as building permits dry up in a slowing economy. We didn't make commitments for future costs unless we had identified reliable funding sources to meet those commitments as they came due. We have consistently and will continue to strive to base our spending on conservative revenue forecasts.

While the economy was good and revenue was growing, we set aside some of the new revenue for projects that we knew were important to you. For example, we were able to build a new fire station without borrowing money. We have roads and infrastructure that are in good condition. We will scale back or delay our plans for some capital projects but we still have some money set aside to continue work on others that will improve our community, provide jobs in a depressed building industry, and take advantage of lower costs. We have tried to be more like the ant in the fable who used the summer to advantage than the grasshopper who found himself in trouble at the first sign of winter.

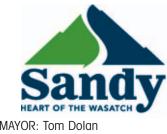
No one is able to predict the depth and breadth of this economic downturn. Despite our best efforts at conservative estimates, we currently project that our revenue for this year will be more than 6 percent less than we budgeted. In addition to scaling back or delaying some projects, I have asked each department to reduce its operating budget by 3 percent. The goal is to do more with less. Some vacant positions will not be filled for the time being



Mayor Dolan visiting with residents at the National Night Out Against Crime.

and contract and seasonal positions have been cut back. We ask a lot of our employees and have been slow to add new ones. We want to keep them employed and serving you in these difficult times.

As stewards of your tax dollars, we take seriously our obligation to manage your money so that the snow is plowed, the streets are swept, police and fire protection is there when you need it, and we don't have to come back to you for more money because we didn't use it wisely. Times may be somewhat difficult but I am optimistic that by working together the future for Sandy is bright.



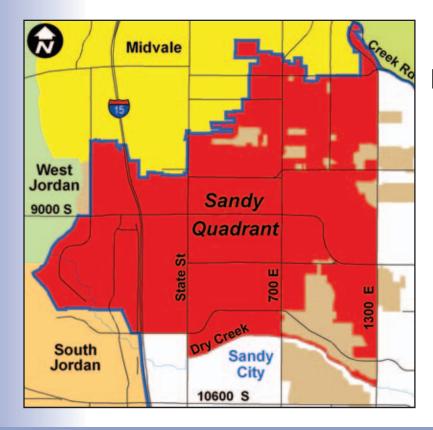
MAYOR: Tom Dolan

CITY COUNCIL:

Scott Cowdell (Dist. 1) Dennis Tenney (Dist. 2) Bryant Anderson (Dist. 3) Chris McCandless (Dist. 4) Steve Fairbanks (At-Large) Linda Martinez-Saville (At-Large)

CHIEF ADMINISTRATIVE OFFICER: Byron Jorgenson

CITY PHONE NUMBERS:



Sandy City Council hosting **Historic Sandy Quadrant Meeting** Tuesday, Feb. 3, 2009 at 7 p.m.

The Sandy City Council and Mayor Tom Dolan invite you to a special community quadrant meeting for the Historic Sandy Quadrant (see map for boundaries) at the Rio Tinto Stadium located at 9256 South State Street on Tuesday, February 3 at 7 p.m.

The City Council, mayor and the city's department directors will be present to update citizens on events and projects. They will also report on recent business developments, public safety efforts, and parks and streets projects. Time will also be allotted to answer citizen questions. The city has held or will be planning similar quadrant meetings for other major quadrants of the city.